

Message Text

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51

ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 AGR-05 AID-05

OPIC-03 SEC-01 FTC-01 STR-04 ARAE-00 INRE-00 SSO-00

NSCE-00 USIE-00 CIAE-00 DODE-00 PM-03 H-02 INR-07

L-02 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 /075 W
----- 058557

O R 161630Z MAY 75

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC IMMEDIATE 0215

INFO AMEMBASSY BOGOTA

AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY QUITO

AMCONGEN GUAYAQUIL

AMEMBASSY TEGUCIGALPA

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E.O. 11652: NA

TAGS: ETRD CS

SUBJECT: ULTIMATUM TO BANANA COMPANY

1. IN RESPONSE TO AN ARTICLE IN THE WALL STREET
JOURNAL MAY 15, WHICH IMPLIED THAT UNITED BRANDS
MIGHT HAVE PAID BRIBES TO COSTA RICAN AND PANAMANIAN
OFFICIALS, AS WELL AS TO HONDURANS, PRESIDENT ODUBER
ISSUED AN ULTIMATUM YESTERDAY GIVING UNITED BRANDS
24 HOURS TO NAME THE COSTA RICAN OFFICIAL SUPPOSEDLY
IMPLICATED IN BRIBERY IN CENTRAL AMERICA OR FACE
EXPULSION FROM THE COUNTRY. ODUBER TOLD THE PRESS
THAT HE HAS DECIDED TO EXPEL THE COMPANY IF THE
REPLY IS EVASIVE OR IF IT CONFIRMS IMMORAL PROCEDURES.
ODUBER ALSO REPORTELY TOLD THE PRESS THAT HE HAS
INSTRUCTED FOREIGN MINISTER FACIO, WHO IS NOW IN
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WASHINGTON, TO MAKE KNOWN OFFICIALLY TO THE USG

THAT THE COSTA RICAN GOVERNMENT DESIRES AN
EXHAUSTIVE INVESTIGATION OF THE FACT.

2. THE RESIDENT VICE PRESIDENT OF UNITED BRANDS, ENRIQUE
LOPEZ BALBOA, PUT OUT A STATEMENT HERE LATE YESTER-
DAY, IN RESPONSE TO THE WALL STREET JOURNAL'S
STORY. LOPEZ SAID, "THE COMPANY DESIRES TO MAKE
IT CLEAR THAT IF HAS NOT MADE ANY PAYMENT TO ANY
OFFICIAL OF THE GOVERNMENT OF COSTA RICA OR PANANMA."
A COMPANY OFFICIAL CONTACTED BY THE EMBASSY SAID
THAT THIS STATEMENT DOES
NOT CONSTITUTE THE OFFICIAL
REPLY TO ODUBER'S TELEGRAM AND THAT THEY ARE WAITING
TO RECEIVE A TEXT FROM THE BOSTON OFFICE. THE DEAD-
LINE IS 1:00 PM TODAY, THE COMPANY OFFICIAL SAID.

3. ODUBER'S TELEGRAM TO UNITED BRANDS, WHICH WAS
ADDRESSED TO WALLACE W. BOOTH, PRESIDENT, SAID,
"IN TODAY'S EDITION OF THE WALL STREET JOURNAL IT
IS STATED THAT COSTA RICAN AND PANAMIAN OFFICIALS
ARE IMPLICATED IN THE BRIBERY DONE BY UNITED BRANDS
IN CENTRAL AMERICA. IF WITHIN 24 HOURS YOU DO NOT
GIVE THE NAMES OF THOSE COSTA RICAN OFFICIALS, I
WILL PROPOSE TO THE LEGISLATIVE ASSEMBLY THE CAN-
CELLATION OF YOUR CONTRACT AND WILL ASK YOUR
DEPARTURE FROM THE COUNTRY. SINCERLY YOURS,
DANIEL ODUBER, PRESIDENT OF COSTA RICA."

4. THE LEGISLATIVE ASSEMBLY IN SESSION LAST EVENING
WAS VOCIFEROUS IN CALLING FOR CLARIFICATION FROM
UNITED BRANDS.
TODMACA

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Message Attributes

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